

MEDICAL EXPENSE POLICY

If the “*Head, Co-Head or Spouse*” of household is age 62 or older; age 18 or older or emancipated AND disabled, the entire household is entitled to claim their medical expenses for *out-of-pocket medical expense deductions*. These are the expenses the household incurs AFTER insurance or agency has paid their portion (Medicare, Medicaid, and other insurance or agency reimbursements.) Claiming this benefit is the applicant/resident’s choice.

The federal government requires that allowable medical expenses be ANTICIPATED for the coming year. In addition to anticipated expenses, past one-time nonrecurring medical expenses that have been paid in full – not counted previously during a certification - may be included in the calculation of the medical expense deduction for current residents at an Initial, Interim or Annual recertification. Reference: HUD 4350.3, REV-1, Change 3.

At move in, past one-time nonrecurring medical expenses that have been paid in full prior to move-in are NOT applicable when calculating anticipated medical expenses for the move-in certification. However, if treatment is continuing, the new resident is under a payment plan, or something similar, the expense would be counted as anticipated.

To claim any of the below expenses, the resident will need to give the Management Office the necessary names and addresses of his/her medical providers; and, he/she will need to sign the proper medical verification releases so these costs can be verified. Resident receipts for Doctor’s office visits, etc. are discouraged and should only be used if no other form of verification can be obtained. It is best to send “Third Party” Verification directly to the source for the required information.

All attempts to obtain third-party verifications must be documented in the applicant or resident file. Please see below for information regarding resident receipts.

Allowable medical expenses include, but are not limited to:

Doctor Visits: Primary care physicians, specialists, surgeons, etc.

Medical/Health Insurance Premiums: Proof of premium payment required (cancelled checks, receipts, bank statements showing the payment, etc.) Includes verified deductible amounts.

Prescription Medications: Verified by a pharmacy. Mail order pharmacies are included.

Over-the Counter Medications: Must be prescribed in writing by a medical provider as “medically” necessary to treat a medical condition. (Pain relievers, antacids, diabetic supplies, incontinence supplies, etc.)

Nutritional Supplements (vitamins, herbs, etc.): Must be prescribed in writing by a Medical professional as medically necessary to treat a medical condition. The medical condition should “never” be listed or requested. Receipts required as these medicines and other over-the-counter medicines will not be anticipated.

Eyeglasses/Contacts

Hearing Aids and Batteries

Dental Expenses

Podiatry

Chiropractic

Cost of a Live-in Aide/Assistant: For services provided.

Cost of Assistive Animal: Veterinary expenses, license & registration fees, food and medicine needed for the animal. Items must be verified and/or receipts will be required to calculate the expense.

Outstanding medical bills: Must be verified with proof of payment or a payment plan from doctors, clinics, hospitals, ambulance providers, etc.

Transportation costs: “To” and “From” medical appointments (mileage, taxi, etc.) This does not include trips to the pharmacy for medications. The number of medical appointments will need to be verified to determine the mileage to allow. The rate for mileage for the resident’s personal vehicle is updated annually by the IRS and Housing Program requirements. For Taxis and other forms of transportation, receipts will be required to verify the expense.

RECEIPTS: For over-the-counter medications, nutritional supplements, assistive animal expenses, etc. it will be necessary for the resident to provide dated cash register receipts for up to a 12-month period that have the store name, the date of purchase and the name of the product.

These receipts will be photocopied and kept in the resident file as verification of the expense. *No medical deduction can be allowed without a relevant receipt! These expenses will not be anticipated – a receipt is needed to determine how frequently items are actually purchased.*

Receipts should be readable/clear regarding resident information. It is best not to have resident or Management comments written on them. Clarifications or affidavits can be attached to the receipts if needed.